

SW-01303A-09-0343
W-01303A-09-0343



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OPEN MEETING AGENDA ITEM
ARIZONA CORPORATION COMMISSION

ORIGINAL

UTILITY COMPLAINT FORM

Investigator: Richard Martinez

Phone:

Fax: (5

Priority: Respond Within Five Days

Opinion No. 2012 - 103329

Date: 4/20/2012

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Bruce Last: Freeman

Account Name: Bruce Freeman

Home: (000) 000-0000

Street:

Work:

City: Phoenix

CBR: N/A

State: AZ Zip:

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone: (6

Nature of Complaint:

(Docket:SW-01303A-09-0343 & W-01303A-09-0343)

Arizona Corporation Commission

DOCKETED

APR 25 2012

DOCKETED BY

Dear Commissioners:

As a water company customer and resident of Anthem, I support delaying the winter-based average waste water program the ACC is considering until June 2013.

Over the past ten or so months, I have been seeking a solution to what I consider to be an unfair system for charging customers for waste water treatment. Presently, I occupy my Anthem home on a part-time basis, usually from October to May or June. During the summer months, when my home is vacant, the only water used is for drip irrigation of my landscape plants. No water is used for any other purpose. The volume of water I use each month is metered and I am billed for what is delivered and used. I understand the logic of this part of my water bill. At the same time, I am billed for an equal volume of treated waste water. However, because the water is entirely for drip irrigation, no water enters the waste water system or is treated in any manner and therein lies the problem.

As is the case with my other utilities, I am charged a basic service fee in addition to a volume charge, i.e., cubic feet of natural gas, watts of electricity, etc. Even with my water usage, I am charged a basic service fee, which remains as a set amount each month, and a volume fee, which varies based upon the amount of water used. However, so far as waste water is concerned, the process is very different. While there is a basic service fee, which was explained to me as an offset for fixed infrastructure costs, there is also a waste water volume charge based entirely on the volume of water delivered, whether it is treated or not. Such a system may be supportable for full-time residents; it is not a fair system for part-time customers when none of the irrigation water is treated as waste water, especially as it applies during the summer months.

After contacting both the staff of the water company and the Commission to find a solution to this

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shortcoming, unfortunately none could be offered. As a residential customer with the minimum size supply line, I can not install a smaller size line. And I can not install a metered supply line for drinking water and a metered waste water line. The only choice a homeowner has is to use the existing system or turn off the entire water system when no waste water is being produced for treatment. However, if this is done during the warmest months of the year, most of the plants would not survive. The By-Laws of Anthem require homeowners to follow planting and landscape procedures or face fines that could be as much as \$100 for every ten days one is not in compliance with them. As a result, the choice of turning off the water supply is neither desirable nor reasonable under the circumstances.

The existing rate structure requires homeowners who occupy their property only part of the year and don't produce any waste water during periods of their absence to pay proportionally more for the waste water system than those who occupy their homes year-round. The best information I am able to obtain is that approximately seventeen percent of homeowners in Anthem do not occupy them year-round, thus, it impacts a sizeable number of customers.

The newly implemented winter-based averaging program exacerbates this unfair and unjust system even more. It is usually during the January to March period that the water usage is the greatest for part-time residents when they occupy their homes; usually using three to four times the volume of water compared to summer irrigation use. In my situation, the cost of waste water treatment will rise from the present 2,000-3,000 gallons per month during the summer to as much as 7,000 gallons, none of which will be treated waste water. This difference can amount to several hundreds of dollars each year. However, in the case of a full time resident using a volume of waste water greater than 7,000 gallons, there is no incentive to use less water since the waste water rate will not exceed 7,000 gallons. Such a system does not encourage conservation of water, especially by large volume users, but unjustly shifts the cost from large volume users to low volume users.

Due to the recent increase in water rates for Anthem customers, in many cases the annual water utility costs have become the most expensive utility bill. This situation has caused many homeowners to become very sensitive to any more changes in water rates. While I realize that some people believe that all ratepayers are aware of the winter-based program, I can assure you they are not. For example, I continue to have neighbors emptying and refilling their swimming pools this past month. At the same time I see others watering lawns and washing their cars every few days. They seem unaware of this policy change. They will not realize the consequence of it until they receive their water bills starting in June.

I support a delay of the winter-based averaging system in order to allow additional time to educate customers to changes in the system. I believe more time could be wisely used to better explain to ratepayers the full consequences of this policy change.

That said, I continue to contend that the winter averaging program is discriminatory in that it unfairly burdens part-time residents with the cost of waste water treatment compared with full-time residents. The water company, the Anthem community, and the Commission need to work together to correct this shortcoming. Thank you for your attention to this matter.

Respectfully,

Bruce Freeman

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

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4/23/12

Emailed to Phoenix ACC office for docketing.

FILE CLOSED.

End of Comments

Date Completed: 4/23/2012

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